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COMMONWEALTH SOLAR OPEN FOR BUSINESS

State begins taking applications for cash rebates that reduce the cost of installing solar power, stimulate job-creating clean energy industry

BOSTON – Secretary of Energy and Environmental Affairs Ian Bowles today announced that Commonwealth Solar, the Patrick Administration's new program of rebates to encourage the installation of solar photovoltaic (PV) power, has begun to accept applications from businesses and homeowners seeking to reduce the cost of putting solar panels on their roofs.

"Commonwealth Solar is open for business, and that's good news for the economy and the environment," said Secretary Bowles. "Solar energy is a key component of the clean energy economy we are developing here in Massachusetts, and a rebate is the most efficient, cost-effective way we can make solar power more affordable. Now is the time for businesses and homeowners to find out what Commonwealth Solar has to offer."

Information on solar power and how to get a Commonwealth Solar rebate at www.commonwealthsolar.org. The Web site, hosted by the Massachusetts Technology Collaborative's Renewable Energy Trust, offers a step-by-step guide to going solar, including determining eligibility, estimating your Commonwealth Solar rebate, and selecting a contractor. The site went live Wednesday, January 23, and in the first 24 hours logged 1,600 unique visitors and 300 unique downloads of application materials.

Announced in December, the new program, which makes use of existing renewable energy funds, is expected to result in the installation of more than 27 MW of solar power capacity over the next four years. Commonwealth Solar is the first step toward fulfilling Governor Deval Patrick's pledge to increase installed solar power from 5 MW today to 250 MW by 2017, made in April in connection with Marlborough–based Evergreen Solar Inc.'s commitment to locate its first full-scale U.S. manufacturing facility in Massachusetts.

The Commonwealth Solar rebate plan provides cash back to owners of commercial, industrial, municipal, and residential property who install solar PV capacity, defraying substantial portions

of the cost of solar panels and installation and shortening the payback period of the investment, after which the panels produce electricity that is essentially free.

Under Commonwealth Solar, businesses and residences that install solar power over the next four years will be eligible for rebates of at least \$2 per watt, reducing their costs from roughly \$8 per watt for commercial installations, \$9 per watt for residential. Commercial customers installing a typical 50 kW solar power system can expect to reduce their costs by about 40 percent. Rebates will be higher for installation of Massachusetts-manufactured solar panels, and they will decline with the size of the installation.

Residential customers will be eligible for rebates on installation of solar arrays up to 5 kW, with rebates higher for moderate-income households and for installing solar products manufactured by Massachusetts companies. Also, \$2 million per year for the first two years will be reserved for installing solar power on the roofs of school buildings.

At a cost of \$68 million over the next four years, the rebates provided through Commonwealth Solar will be financed entirely by existing ratepayer funds for renewable energy. The Massachusetts Technology Collaborative will dedicate \$10 million per year from the Renewable Energy Trust, representing 40 percent of annual spending, for Commonwealth Solar, up slightly from the \$8-\$9 million per year MTC has awarded for solar projects through its grant programs in recent years. The remaining \$28 million will come from the Division of Energy Resources' Alternative Compliance Payment fund, consisting of payments from electricity suppliers that are unable to meet their obligations under the Commonwealth's Renewable Portfolio Standard, which requires them to obtain a minimum percentage of electricity supplies from renewable sources.

"This new solar initiative will help more businesses, communities and homeowners in Massachusetts tap into clean energy from the sun," said Massachusetts Technology Collaborative executive director Mitchell Adams. "It builds on our strong commitment to solar, which has already led to more than 700 installations across the state."

"These rebates will put an important clean energy choice within the reach of many more consumers – store owners, municipalities, and homeowners alike," says DOER Commissioner Phil Giudice.

Based on experience in California, as well as Japan and Germany, which shows a declining need for public subsidies as the market for solar power grows and costs fall, Commonwealth Solar rebates will decline slightly each year. At the end of the four-year program, it will be determined whether there remains a need for subsidy in order to achieve the 2017 goal of 250 MW of installed solar power, and how that need will be met.

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